

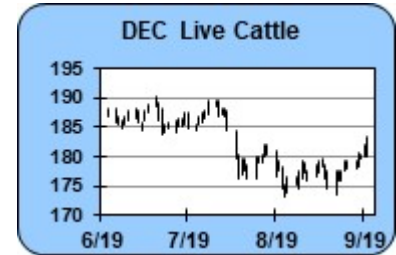


DAILY LIVESTOCK COMMENTARY
Monday September 23, 2024

DAILY CATTLE COMMENTARY
9/23/2024

COF report mostly neutral, futures close out last week strong

December live cattle closed the week very strong ahead of Friday's Cattle On Feed report. The report was mostly neutral with slightly higher placements the only minor deviation from the pre-report estimates. Dry pasture conditions lately and cheap feed prices may have been responsible for the higher placements. The report did not indicate any significant heifer retention. Cash cattle traded up \$2 Friday and the 5-area, 5-day weighted average for the week was 183.61 versus 181.95 the prior week. December live cattle closed at 100 and 200-day moving average resistance Friday but interestingly, feeder cattle did not follow along. A December close above 183.45 would be a bullish technical sign. Look for pullback support at 179.60. The estimated average dressed cattle weight for the week ending September 21 is 855 pounds, up from 852 the previous week and up from 829 a year ago. The 5-year average weight for that week is 831 pounds. Estimated beef production last week was 520.3 million pounds, up from 518.4 million a year ago. Year to date beef production is up 1% above last year. The USDA estimated cattle slaughter came in at 108,000 head Friday and 9,000 head for Saturday. This brought the total for last week to 610,000 head, down from 620,000 the previous week and down from 626,639 a year ago. The smallest slaughter for this week of the year in 8 years. The USDA boxed beef cutout was up \$1.11 at mid-session Friday and closed 63 cents higher at \$300.19. This was down from \$304.91 the previous week.



The Commitments of Traders report for the week ending September 17th showed Cattle Managed Money traders are net long 38,331 contracts after net selling 359 contracts. CIT traders are net long 85,786 contracts after net selling 110 contracts. Non-Commercial No CIT traders were net long 20,539 contracts after decreasing their long position by 955 contracts. Non-Commercial & Non-Reportable traders were net long 38,410 contracts after decreasing their long position by 2,651 contracts.

TODAY'S MARKET IDEAS:

A mostly neutral Cattle on Feed report should have little effect on cattle futures this morning. December live cattle hit significant resistance on the highs Friday and a close over 183.45 would be a technical sign of additional upside potential. With futures moving higher ahead of neutral COF report, the odds of a pullback early this week are high.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 9/10/2024 - 9/17/2024						
	Non-Commercial			Commercial	Non-Reportable	
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Livestock						
Feeder Cattle	-6,406	+1,867	8,398	-910	-1,993	-957
Cattle	59,122	-1,869	-38,410	+2,651	-20,712	-782

CATTLE COMPLEX TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

LIVE CATTLE (OCT) 09/23/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. The upside crossover (9 above 18) of the moving averages suggests a developing short-term uptrend. Rising stochastics at overbought levels warrant some caution for bulls. The close above the 9-day moving average is a positive short-term indicator for trend. There could be more upside follow through since the market closed above the 2nd swing resistance. The near-term upside target is at 185.070. The next area of resistance is around 184.170 and 185.070, while 1st support hits today at 180.770 and below there at 178.250.

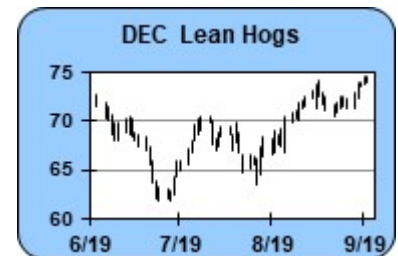
FEEDER CATTLE (OCT) 09/23/2024: Momentum studies are trending higher but have entered overbought levels. The close above the 9-day moving average is a positive short-term indicator for trend. It is a mildly bullish indicator that the market closed over the pivot swing number. The near-term upside objective is at 247.056. The next area of resistance is around 245.537 and 247.056, while 1st support hits today at 242.263 and below there at 240.507.

DAILY HOGS COMMENTARY

9/23/2024

Strong weekly close but low volume points to rally slowdown

A strong weekly close for December Hogs on Friday, hitting new highs for the recent move. The weekly kill was smaller than expected, down 2.3% from the previous week, and contributed to the higher futures prices last week. Cash prices late Friday were slightly higher. The CFTC data indicated Managed Money added 2000 net longs as of Tuesday of last week. Daily trading ranges and volume were small the last half of the week and may be in indication the rally is getting tired. However, the technical action has not given any hint of a sell signal yet. Look for resistance at 76.00 and support 72.50. Estimated US pork production for the week ending September 21 is 528.6 million pounds, down from 538.7 the previous week and down from 532.0 a year ago. Year to date production is down 1.9% from a year ago. The CME Lean Hog Index as of September 18 was 84.38 up from 84.22 the previous session but down from 85.35 the previous week. The USDA estimated hog slaughter came in at 475,000 head Friday and 140,000 head for Saturday. This brought the total for last week to 2.506 million head, down from 2.565 million the previous week and down from 2.547 million a year ago. The USDA pork cutout, released after the close Friday, came in at \$93.44, down 67 cents from Thursday but up from \$92.77 the previous week.



The Commitments of Traders report for the week ending September 17th showed Hogs Managed Money traders are net long 39,715 contracts after net buying 2,003 contracts. CIT traders were net long 96,856 contracts after decreasing their long position by 3,549 contracts. Non-Commercial No CIT traders were net short 300 contracts after decreasing their short position by 6,542 contracts. Non-Commercial & Non-Reportable traders are net long 37,422 contracts after net buying 5,009 contracts.

TODAY'S MARKET IDEAS:

December hogs continued the uptrend last week, closing strong, and nearby resistance starts is 76.00. Small daily trading ranges and weak volume the second half of last week is a warning sign the rally is beginning to slow. Watch for any bearish technical sign of a pullback early this week. Moving average support is 72.50.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

Commitment of Traders - Futures and Options - 9/10/2024 - 9/17/2024						
	Non-Commercial			Commercial		Non-Reportable
	Net Position	Weekly Net Change	Net Position	Weekly Net Change	Net Position	Weekly Net Change
Livestock						
Hogs	47,595	+4,271	-37,422	-5,009	-10,173	+738

PORK COMPLEX TECHNICAL OUTLOOK:

Note: Data is collected using the closing values of the previous session and calculations and analysis are run at the same time. Technical commentary is based solely on statistical indicators and does not necessarily correspond to any fundamental analysis that may appear elsewhere in this report. Data sources can and do produce bad ticks that can cause computation errors. Please verify before use.

LEAN HOGS (OCT) 09/23/2024: Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The market's close above the 9-day moving average suggests the short-term trend remains positive. The daily closing price reversal down puts the market on the defensive. The market has a slightly positive tilt with the close over the swing pivot. The near-term upside target is at 82.950. The next area of resistance is around 82.570 and 82.950, while 1st support hits today at 81.900 and below there at 81.570.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
MEAT COMPLEX										
LCV24	182.450	69.46	61.40	71.04	84.67	179.89	178.41	178.23	180.19	181.32
FCV24	243.900	66.81	58.64	83.27	89.77	242.09	239.91	238.20	241.96	246.26
LHV24	82.220	65.43	62.11	57.94	67.00	82.08	80.43	80.84	78.11	76.70

Calculations based on previous session. Data collected 09/20/2024

Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
MEAT COMPLEX						
LCV24	Live Cattle	178.220	180.750	181.650	184.170	185.070
FCV24	Feeder Cattle	240.506	242.262	243.781	245.537	247.056
LHV24	Lean Hogs	81.550	81.870	82.250	82.570	82.950

Calculations based on previous session. Data collected 09/20/2024

Data sources can & do produce bad ticks. Verify before use.

***This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of Lakefront Futures is strictly prohibited.